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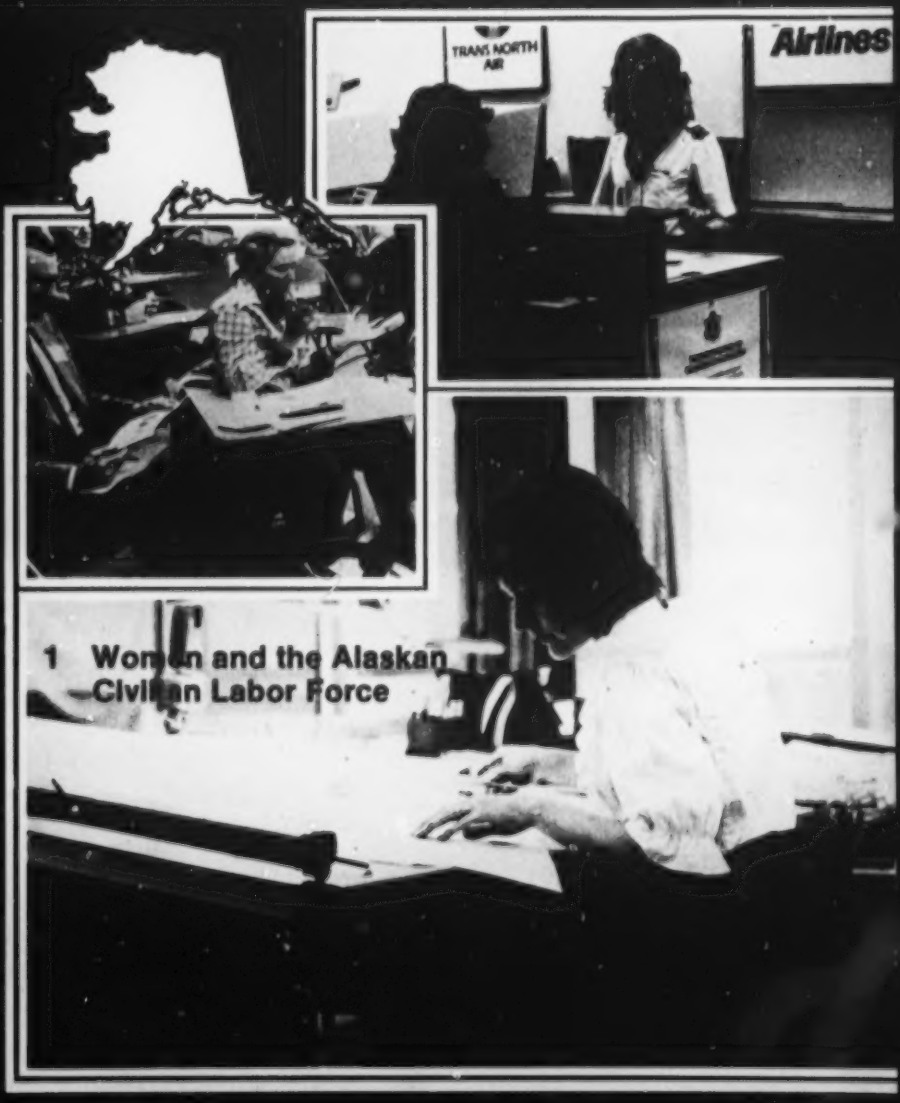
MARCH 1985
ALASKA ECONOMIC TRENDS

Alaska Department of Labor Bill Sheffield, Governor, State of Alaska



1 Women and the Alaskan Civilian Labor Force

ALASKA ECONOMIC TRENDS

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Funded by:

March 1985
Volume 5
Issue 3

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Alaska Economic Trends is published monthly by the Alaska Department of Labor, Research & Analysis Section, P.O. Box 1149, Juneau, Alaska 99802.

POSTMASTER: Send address change to ALASKA ECONOMIC TRENDS, P.O. BOX 1149, Juneau, Alaska 99802.

The following notes pertain to Nonagricultural Wage and Salary Employment Tables:

Government includes teachers in primary and secondary schools, and personnel employed by the University of Alaska.

Benchmark Date March 1984.

P/ Denotes preliminary estimates.

R/ Denotes revised estimates.

ALASKA
HOURS AND EARNINGS
FOR
SELECTED INDUSTRIES 1/ 2/

	Average Hourly Earnings			Average Weekly Hours			Average Weekly Earnings		
	p/ 11/84	r 10/84	11/83	p/ 11/84	r/ 10/84	11/83	p 11/84	r 10/84	11/83
Mining	$24.15	$24.11	$24.91	50.9	49.6	49.6	$1229.24	$1195.86	$1235.54
Contract Construction	24.69	24.44	23.81	37.9	43.3	39.9	935.75	1058.25	950.02
Manufacturing	14.20	15.46	14.94	33.1	30.6	29.0	470.02	473.08	433.26
Food & Kindred Products	8.87	10.12	9.17	28.7	22.1	17.4	254.57	223.65	159.56
Lumber & Paper Products	18.89	17.78	17.98	29.8	33.9	39.0	562.92	602.74	701.22
Trans. Comm. & Utilities	15.32	15.77	15.72	37.3	37.3	37.4	571.44	588.22	587.93
Trade	10.95	10.69	10.16	34.4	34.9	34.6	376.68	373.08	351.54
Wholesale	13.03	12.86	12.09	39.4	38.0	36.8	513.38	488.68	444.91
Retail	10.06	9.82	9.42	32.6	33.8	33.8	327.96	331.96	318.40
Finance-Ins. & Real Estate	—	—	—	—	—	—	414.15	399.38	366.21

1 Prepared in cooperation with the Bureau of Labor Statistics, U.S. Department of Labor

2 Excludes eating and drinking establishments

AVERAGE HOURS AND EARNINGS SERIES: Averages are based on data for full and part time production workers (manufacturing) and nonsupervisory workers (nonmanufacturing) and are for gross earnings and hours paid, including overtime pay and hours.

WOMEN AND THE ALASKAN CIVILIAN LABOR FORCE

By Kathryn Lizik

The number of women in the experienced civilian labor force more than doubled between 1970 and 1980 with 42% of all civilian workers 16 years and older being female. However, in spite of the tremendous surge with which women entered the job market, different occupational mixes from men continued to exist. As a result, the distribution of types of jobs women held fared a much smaller change.

More than 76,000 women were part of Alaska's 1980 civilian labor force. However, 78% continued to hold jobs in the following classically feminine occupational categories: Services; Administrative and Clerical Support; Sales; and Professional Specialties. Professional Specialties includes large numbers of teachers, nurses, counselors, and librarians. Looking at the same occupational distribution by race/ethnicity, comparable percentages held across the board.

In contrast less than 7% (5,017) of women found positions in the more traditionally male dominated major occupational categories of Precision Production, Craft & Repair or Operators, Fabricators, and Laborers.

Table 1 displays count and percent distributions for 11 summary occupations by race/ethnicity and sex. The source of the data in this article is the 1980 census. Detailed occupational breakouts reflecting the same variables as presented in Table 1 are available from Department of Labor, Research and Analysis. Reports are available that summarize the information for the state and for the 23 census areas.

Several factors cited in past years attempt to explain why women experience a different occupational mix than men. Among them, level of educational attainment, choice of academic studies, unavailability of affordable day care, and job tenure due to childbearing years have been exceptionally prevalent. Yet none fully accounts for why women tend to cluster in particular areas of the job market.

For example, women accounted for 55% of all Service-related jobs, but were concentrated (87%) in the following areas: child care workers; health, dental or nursing aids; food preparation and waitresses; maids or cleaners. In contrast 92% of the men working in Service were either fire fighters, police and guards, janitors, or cooks and bartenders.

Within the Administrative and Clerical Support, and Professional Specialty categories, clustering was also readily apparent. High concentrations of women were reported as typists, secretaries, clerks, bookkeepers, and teachers. Barely 4% were listed as engineers, architects, or scientists.

According to data presented by the Alaska Women's Commission in a publication entitled *Alaska Women: A Databook* not only do women hold different types of jobs from men, but these jobs are also lower paying. For example, for every dollar a man earns, a woman earns 58 cents. This in turn contributes to the fact Alaskan women's median incomes are less than half that of Alaskan men.

Looking at Table 2 it is possible to detect the differences in earnings for both men and women in eleven summary occupational categories. Looking specifically at the four "feminized" summary occupations, both median and mean income of women are substantially below that of their male counterparts.

Affirmative Action

Due to the increased interest and focus on the status of women and minorities in today's job market several affirmative action and equal employment opportunity laws, orders, and programs have been established. At the federal level the Office of Federal Contract Compliance Program in the U.S. Department of Labor has jurisdiction over employers contracting with the federal government. If the contract is categorized as nonconstruction, and falls between $10,000 and $50,000, the employer must be able to produce records establishing that the employer has been complying with affirmative action practices. If the contract exceeds $50,000 and there are 50 or more employees, a written affirmative action plan is required including an availability analysis. It is here the Bureau of Census's Equal Employment Opportunity detailed occupational data is utilized. The race/ethnicity and sex distribution of the civilian labor force within each occupational category presents a backdrop against which employers can match their own hiring practices.

A slightly different approach is utilized when the contract falls within the Construction Industry. In this case representational goals for minority and female hire have been established in all craft areas. In Anchorage the minority hire goal is 8.7%. Outside Anchorage it increases to 15.1%. For women a national goal of 6.9% hire in all crafts has been established.

The agency responsible for producing the EEOC guidelines for federal affirmative action affecting women, minorities, and the handicapped is the U.S. Equal Employment Opportunity Commission. The federal guidelines are utilized by all federal agencies as well as employers contracting with the federal government. Private sector employers interested in participating in voluntary affirmative action may also use these guidelines as a basis of information for activities such as recruitment, applicant qualifications, goal setting and timetables, and employee selection.

At the state level, the Equal Employment Opportunity Division within the Department of Administration develops the affirmative action guidelines

and statistical base for state government programs. Examples of other public institutions practicing Affirmative Action include the University of Alaska, Alaska Court System, the Ombudsman's Office, the Anchorage School District and the Municipality of Anchorage.

Table 1
Occupations by Race/Ethnicity & Sex
Alaska
1980

	Total	Female	White Male	White Female	Black Male	Black Female
Total Civilian Labor Force 16 Years & Up	181842	76356	87983	62038	2561	2393
	100%	42%	48.4%	34.1%	1.4%	1.3%
Exec., Admin., & Managerial	23244	8717	12919	7626	244	210
	100%	37.5%	55.6%	32.8%	1%	0.9%
Professional Specialty	26231	12386	12741	10704	141	325
	100%	47.2%	48.6%	40.8%	0.5%	1.2%
Technicians & Related Support	6965	1938	4463	1648	99	50
	100%	27.8%	64.1%	23.7%	1.4%	0.7%
Sales Occupations	15090	8123	6329	6862	155	356
	100%	53.8%	41.9%	45.5%	1%	2.4%
Admin. Support, incl. Clerical	32120	25743	5011	21307	369	762
	100%	80.1%	15.6%	66.3%	1.1%	2.4%
Service Occupations	25276	13774	8075	9834	615	586
	100%	54.5%	31.9%	38.9%	2.4%	2.3%
Farming, For., & Fishing	5250	658	3391	473	35	15
	100%	12.5%	64.6%	9%	0.7%	0.3%
Precision Production, Craft & Repair	24544	1260	20046	937	323	38
	100%	5.1%	81.7%	3.8%	1.3%	0.2%
Machine Operators, Assemb., Inspectors	5271	1535	2855	1048	91	14
	100%	29.1%	54.2%	19.9%	1.7%	0.3%
Trans. & Material Moving	8035	871	5903	705	215	9
	100%	10.8%	73.5%	8.8%	2.7%	0.1%
Handlers, Equipment Cleaners, Helpers, Laborers	9816	1351	6250	894	274	28
	100%	13.8%	63.7%	9.1%	2.8%	0.3%

American Indian Eskimo and Aleut		Asian and Pacific Islander		Race not Elsewhere Classified		Hispanic	Hispanic
Male	Female	Male	Female	Male	Female	Male	Female
10894	8556	1893	1712	173	167	1982	1490
6%	4.7%	1%	0.9%	0.1%	0.1%	1.1%	0.8%
868	624	271	140	16	11	209	106
3.7%	2.7%	1.2%	0.6%	0.1%	0.1%	0.7%	0.5%
653	1080	153	103	18	14	139	160
2.5%	4.1%	0.6%	0.4%	0.1%	0.1%	0.5%	0.6%
329	193	74	27	3	0	59	20
4.7%	2.8%	1.1%	0.4%	0%	0%	0.8%	0.3%
331	523	45	203	2	4	105	175
2.2%	3.5%	0.3%	1.3%	0%	0%	0.7%	1.2%
798	2795	119	322	9	60	71	497
2.5%	8.7%	0.4%	1%	0%	0.2%	0.2%	1.5%
1876	2372	424	597	21	52	491	333
7.4%	9.4%	1.7%	2.4%	0.1%	0.2%	1.9%	1.3%
1045	123	21	17	24	0	76	30
19.9%	2.3%	0.4%	0.3%	0.5%	0%	1.4%	0.6%
2235	199	222	50	22	0	436	36
9.1%	0.8%	0.9%	0.2%	0.1%	0%	1.8%	0.1%
345	237	339	169	0	0	106	67
6.5%	4.5%	6.4%	3.2%	0%	0%	2%	1.3%
810	138	68	6	30	4	138	9
10.1%	1.7%	0.8%	0.1%	0.4%	0%	1.7%	0.1%
1604	272	157	78	28	22	152	57
16.8%	2.8%	1.6%	0.8%	0.3%	0.2%	1.5%	0.6%

REVISED 1984 EMPLOYMENT ESTIMATES

By Ed Eboch

Every January Current Employment Statistics (CES) employment estimates undergo a process referred to as "benchmark". ES-202 employment counts (actual counts of nonagricultural wage and salary employment data, primarily derived from unemployment insurance records) produced during the previous year replace estimates for the first six months of 1984 and the last six months of 1983. Because the earlier estimates are based on a sample of employers it is subject to error. Estimates for the last six months of 1984, for which ES-202 data is not available, are adjusted to reflect the most recent ES-202 data. The benchmark procedure, with the use of actual and revised estimates, reduced the error of earlier estimates. The "benchmark" numbers are published each year in the March issue of *Alaska Economic Trends.*

The 1984 nonagricultural wage and salary annual average employment numbers were underestimated by an average of 3%. In analyzing the data the error in estimating employment began appearing by the fall of 1983. Unlike past years Alaska's employment in 1983 did not experience the degree of decline during the fall and winter months that has been typical for that time of year. Underestimates of employment were made in construction, trade, services and local government employment. These underestimates of 1983 employment continued into the 1984 year.

In retrospect, the failure to anticipate the extent that the residential and commercial construction boom would continue into 1984, in light of the apparent overcapacity of office space and housing, affected not only the underestimate of construction employment but also estimates in trade and services employment. While estimates in trade were reasonably close to actual counts in most subcategories those areas related to construction, such as hardware stores, furniture stores, and lumber yards were seriously underestimated. The construction boom also had an affect on the service sector as equipment rental and leasing services; engineering, architectural, and surveying services; hotels, motels, and rooming houses as well as other business and personal services all benefited from the continued construction activity.

While the exceptionally good year in construction explained much of the underestimates in employment it certainly does not account for all of the growth in service related employment nor does it account for the growth in local government employment. As local populations have increased in size and local economies have expanded there has been an increase in the demand for services whether provided by local and state government or the private sector.

ALASKA

By Ed Eboch

The Impact of State Expenditures on Employment

Dramatic declines in oil prices will mean downward revision of state oil revenue estimates and therefore less state expenditures than in the past several years. Declining state revenues and its implication regarding Alaska's economy is a major concern of state lawmakers as well as Alaska's business community. Oil and gas related revenue accounts for over 80% of total state revenues (Table 1). Including investment earnings, largely a result of oil revenues, the total represent 92% of total state revenues. Every $1 drop in oil prices results in approximately $150 million less in state revenues. After several days of testimony in Juneau by oil experts in early February the concensus was that oil prices will continue to fall. While a collapse in world oil prices is unlikely, a continued price decline and the corresponding decline in state spending would have repercussions throughout Alaska's economy.

Table 1
Top Five Revenue Sources
Fiscal Year 1984
(Millions of Dollars)

Rank	Revenue Source	Collected FY 84	% of Total
1	Oil/Gas Severance Tax	1392.4	41.1
2	Oil/Gas Royalties	1047.5	30.9
3	Investment Earnings	282.7	8.3
4	Oil/Gas Corporate Tax	265.1	7.8
5	Oil/Gas Property Tax	131.0	3.9
	Total	3118.7	92.0

Source: Revenue Sources FY 1984-87, Alaska Department of Revenue, January 1985.

Impact of State Expenditures

In 1984 State government accounted for an annual average of 19,300 jobs, 8.6% of Alaska's nonagricultural wage and salary employment. This number represents only a small portion of the jobs created by state expenditures. The State of Alaska is also a major contributor to local government and private sector employment.

The state provides aid for local government operating expense, grants for public works projects, and aid for schools. This aid represents as much as 75% of local governments revenue. (See *Effects of Oil Revenue on State Aid*

Table 2
Earnings by Occupation by Sex
Alaska
1980

Summary Occupations		Persons with Earnings in 1979						Worked fulltime year round 1979	
		Less than $14999	$15000 -24999	$25000 -49999	$50000 or More	Median Earnings	Mean Earnings	Total	Median Earnings
Executive, Administrative, & Managerial	Male	5817	5910	13065	$203	$27933	$29567	19774	$31224
	Female	9314	6985	3914	173	15976	16378	9857	19661
Professional Specialty	Male	3233	3036	5942	1413	26165	28002	8510	$0200
	Female	5764	3795	2379	59	15528	15616	4055	20406
Technicians & Related Support	Male	1178	1168	2176	455	25946	27088	3455	29090
	Female	980	669	217	—	14966	14932	991	17477
Sales Occupations	Male	2436	1877	1908	512	20369	22744	4479	23918
	Female	5887	1261	271	72	8080	9754	2886	13338
Administrative Support, including Clerical	Male	2254	1825	1896	227	19516	20839	3984	23461
	Female	16250	6792	1161	56	11706	11772	12133	15503
Service Occupations	Male	5978	2277	2388	268	12684	15997	4813	22698
	Female	10467	1435	411	43	6209	8059	3445	12926
Farming, Forestry, & Fishing	Male	2074	792	989	460	16003	23875	1305	22765
	Female	424	59	14	14	5716	8025	156	7714
Precision Production, Craft & Repair	Male	7299	4855	9052	1403	23038	24141	11004	29888
	Female	695	260	150	9	10074	12916	554	15133
Machine Operators, Assemblers Inspectors	Male	1560	681	1193	114	18583	19504	1556	25415
	Female	1206	129	46	14	6061	8420	426	13080
Transportation & Material Moving	Male	2397	1647	2496	332	21326	22624	2780	27082
	Female	602	101	85	7	7861	10596	142	15231
Handlers, Equipment Cleaners, Helpers, Laborers	Male	4960	1376	1444	162	10078	14962	2324	22685
	Female	972	146	38	—	6313	7471	232	15240

Nonagricultural Wage and Salary Employment
By Place of Work
ALASKA
1984

	Jan.	Feb.	March	April	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Avg.
Nonag. Wage & Salary	203700	206900	211900	217700	226700	233500	241200	243500	239800	230800	224200	220100	225000
Mining.....	8100	8200	8600	8800	9000	8900	9000	9200	9100	9000	8800	9000	8800
Construction.....	16000	16200	16600	18200	20600	22800	23800	25600	25100	22600	18100	15700	20100
Manufacturing.....	6900	7000	8200	9200	10800	13800	20100	18900	14800	9200	8300	7600	11200
Food & Kindred Prod.....	2300	2400	3300	3700	5000	7700	14600	13300	9000	3900	3200	3000	6000
Lumber & Paper Prod.	1800	1800	2000	2400	2600	2800	2300	2400	2600	2300	2200	1700	2200
All Other Mfg.	2800	2800	2900	3100	3200	3300	3200	3200	3200	3000	2900	2900	3000
Trans. Comm. & Utilities ..	17400	17600	18000	18400	19400	19900	19900	20000	19500	19100	18500	18500	18900
Trucking & Whseing.....	1900	1900	2000	2100	2400	2600	2600	2600	2300	2400	2300	2300	2300
Water Transportation.....	1000	1000	1100	1200	1400	1400	1500	1600	1500	1400	1200	1200	1300
Air Transportation	5600	5700	5900	6000	6300	6400	6400	6300	6100	6000	5900	5800	6000
Other Trans. Comm & Utilities	8900	9000	9000	9100	9300	9500	9400	9500	9600	9300	9100	9200	9200
Trade	40800	40500	41400	42500	44300	46400	46900	47500	46300	46200	46100	45900	44600
Wholesale	8100	8100	8200	8400	8700	9000	9000	8900	8700	8600	8600	8500	8600
Retail	32700	32400	33200	34100	35600	37400	37900	38600	37600	37600	37500	37400	36000
Gen. Mer. & Apparel.....	4700	4500	4600	4600	4900	5200	5300	5400	5300	5200	5400	5800	5100
Food Stores.....	5200	5200	5300	5400	5700	6100	6000	6000	6100	6100	6000	5900	5800
Eating & Drinking Pl. ...	11200	11300	11700	12200	12800	13600	14200	14800	13800	13900	13600	13300	13000
Other Retail Trade	11600	11400	11600	11900	12200	12500	12400	12400	12400	12400	12500	12400	12100
Finance-Ins. & R.E.....	11200	11600	11900	12100	12400	12800	12800	12900	12700	12600	12500	12600	12300
Services & Misc.	40100	41000	41800	42100	43000	44400	45000	45100	45000	43800	43600	43100	43200
Government	63200	64800	65400	66400	67200	64500	63700	64300	67300	68300	68300	67700	65900
Federal.....	17500	17500	17500	17900	18300	18900	19300	19300	18700	18200	18000	18100	18300
State.....	18100	19100	19400	19600	19400	18800	18600	18600	19600	20100	20000	19400	19200
Local	27600	28200	28500	28900	29500	26800	25800	26400	29000	30000	30300	30200	28400

Nonagricultural Wage and Salary Employment
By Place of Work
ANCHORAGE
1984

	Jan.	Feb.	March	April	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Avg.
Nonag. Wage & Salary	104200	105250	107350	109150	111850	114050	117650	117600	117100	115700	112800	112150	112100
Mining.....	3550	3650	3900	4050	4050	3900	4000	4100	4050	3850	3850	3950	3900
Construction.....	7950	7900	8250	8950	10100	11350	12150	12350	12050	11400	9400	8550	10000
Manufacturing.....	2100	2100	2200	2350	2450	2950	3750	3400	3100	2550	2300	2250	2600
Food & Kindred Prod.....	300	300	350	350	400	850	1600	1250	1000	500	300	300	600
Other Mfg.	1800	1800	1850	2000	2050	2100	2150	2150	2100	2050	2000	1950	2000
Trans. Comm. & Utilities ..	8500	8550	8650	9000	9550	9700	9850	9900	9500	9150	8650	8650	9100
Trucking & Whseing.....	1050	1050	1050	1150	1350	1450	1450	1450	1250	1250	1200	1200	1200
Water Transportation.....	300	250	350	350	400	350	400	450	400	400	400	350	400
Air Transportation	3450	3500	3550	3750	3950	3950	4050	4000	3900	3600	3300	3250	3700
Other Trans. Comm. & Utilities	3700	3750	3700	3750	3850	3950	3950	4000	3950	3900	3750	3850	3800
Trade.....	25400	25250	25650	26000	26450	27300	27800	27750	27800	28300	28100	28550	27000
Wholesale	6200	6200	6300	6450	6500	6650	6800	6650	6650	6700	6650	6650	6500
Retail.....	19200	19050	19350	19550	19950	20650	21000	21100	21150	21600	21450	21900	20500
Gen. Merchandise	1700	1550	1550	1550	1550	1600	1650	1650	1700	1750	1800	1900	1700
Food Stores.....	2550	2550	2600	2700	2800	3000	3150	3200	3150	3350	3200	3200	3000
Eating & Drinking Pl. ...	7300	7400	7550	7500	7700	8100	8300	8300	8350	8500	8300	8350	8000
Other Retail Trade	7650	7550	7650	7800	7900	7950	7900	7950	7950	8000	8150	8450	7900
Finance-Ins. & R.E.	7850	8100	8300	8400	8600	8800	9000	9050	8950	8900	8800	8900	8600
Services & Misc.	24100	24550	25050	24850	25000	25400	26000	25900	25650	25450	25550	25300	25200
Government	24750	25150	25350	25550	25650	24650	25100	25150	26000	26100	26150	26000	25500
Federal.....	9950	9900	9900	10000	10100	10300	10600	10650	10350	10100	10050	10050	10200
State.....	6200	6650	6750	6800	6700	6200	6200	6200	6750	6900	6950	6850	6600
Local	8600	8600	8700	8750	8850	8150	8300	8300	8900	9100	9150	9100	8700

Nonagricultural Wage and Salary Employment
By Place of Work
ANCHORAGE-MATSU
1984

	Jan.	Feb.	March	April	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Avg.
Nonag. Wage & Salary	109600	110700	112900	114900	118300	120900	124400	124950	124550	122850	119550	118650	118500
Mining.....	3600	3650	3900	4050	4050	3900	4000	4100	4100	3900	3850	3950	3900
Construction.....	8600	8550	9000	9850	11150	12550	13350	13700	13150	12400	10100	9150	11000
Manufacturing.....	2150	2200	2250	2450	2600	3150	3850	3550	3250	2700	2400	2300	2700
Trans. Comm. & Utilities ..	9050	9100	9250	9500	10150	10350	10500	10650	10300	9900	9350	9350	9800
Trade	26650	26550	26950	27350	28050	29000	29400	29500	29550	30050	29850	30250	28600
Finance-Ins. & R.E.....	7950	8150	8300	8450	8700	8850	9100	9150	9000	9000	8900	9000	8700
Services & Misc.	25000	25450	26000	25800	26000	26400	27050	27050	27300	26900	27050	26750	26400
Government	26600	27050	27250	27450	27600	26700	27150	27250	27900	28000	28050	27900	27400

Nonagricultural Wage and Salary Employment
By Place of Work
INTERIOR
1984

	Jan.	Feb.	March	April	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Avg.
Nonag. Wage & Salary	28250	29050	29700	30750	32800	33800	34550	34650	34800	33500	32200	31050	32100
Mining.....	150	200	200	250	300	300	350	350	350	300	300	300	300
Construction.....	1850	2100	2100	2250	3000	3600	3850	4150	4000	3350	2850	2350	3000
Manufacturing.....	450	450	500	500	550	600	600	600	600	550	500	500	500
Trans. Comm. & Utilities ..	3300	3250	3350	3450	3700	3750	3750	3800	3800	3550	3300	3300	3500
Trade	5500	5500	5600	6000	6350	6750	6800	6750	6650	6400	6250	6150	6200
Finance-Ins. & R.E.....	900	950	1000	1000	1050	1050	1050	1050	1050	1050	1050	1050	1000
Services & Misc.	5050	5150	5400	5550	5650	6000	6300	6300	6150	5900	5750	5600	5700
Government	11050	11450	11550	11750	12200	11750	11850	11650	12200	12400	12200	11800	11800

Nonagricultural Wage and Salary Employment
By Place of Work
FAIRBANKS
1984

	Jan.	Feb.	March	April	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Avg.
Nonag. Wage & Salary	24600	25300	25750	26650	28150	29000	29500	29750	29850	28900	27850	26950	27700
Mining	100	100	100	150	200	200	200	250	200	200	200	200	200
Construction	1750	2050	2050	2150	2900	3450	3750	3950	3800	3200	2700	2250	2800
Manufacturing	450	450	450	500	500	550	600	600	550	550	500	450	500
Trans. Comm. & Utilities	2700	2600	2700	2750	2900	2950	3000	3000	3000	2750	2600	2600	2800
Trucking & Whseing.	400	350	350	400	450	500	450	450	400	400	400	400	400
Air Transportation	700	700	750	750	800	800	850	850	800	750	700	700	800
Other Trans. Comm. & Utilities	1600	1550	1600	1600	1650	1650	1700	1700	1800	1600	1500	1500	1600
Trade	5050	5100	5200	5650	5900	6300	6250	6200	6250	6000	5850	5750	5800
Wholesale	950	950	1000	1000	1000	1100	1100	1100	1100	1100	1050	1050	1000
Retail	4100	4150	4200	4650	4900	5200	5150	5100	5150	4900	4800	4700	4800
Gen. Mer. & Apparel	500	500	500	550	550	550	600	550	550	550	550	600	500
Food Stores	650	700	700	700	700	850	800	800	850	800	800	800	800
Other Retail Trade	2950	2950	3000	3400	3650	3800	3750	3750	3750	3550	3450	3300	3400
Finance-Ins. & R.E.	850	900	900	950	950	1000	950	1000	1000	950	950	950	900
Services & Misc.	4850	4950	5150	5200	5350	5600	5800	5850	5700	5600	5450	5400	5400
Government	8850	9150	9200	9300	9450	8950	8950	8900	9350	9650	9600	9350	9200
Federal	2600	2550	2550	2700	2850	2900	2900	2850	2700	2650	2600	2600	2700
State	3600	3900	3950	3850	3800	3550	3650	3600	3850	4150	4200	3950	3800
Local	2650	2700	2700	2750	2800	2500	2400	2450	2800	2850	2800	2800	2700

Nonagricultural Wage and Salary Employment
By Place of Work
GULF COAST
1984

	Jan.	Feb.	March	April	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Avg.
Nonag. Wage & Salary	16450	16800	17850	18400	19800	21600	25050	24650	22600	20300	19650	19150	20200
Mining	650	650	700	700	750	800	850	800	800	800	800	800	800
Construction	1200	1200	1350	1550	1800	2100	2450	2800	2700	2300	1800	1550	1900
Manufacturing	1600	1600	2150	2150	2750	4000	7200	6250	3950	2550	2350	2250	3200
Food & Kindred Prod.	1000	1000	1550	1500	2100	3300	6500	5600	3300	1900	1750	1650	2600
All Other Mfg.	600	600	600	650	650	700	700	650	650	650	600	600	600
Trans. Comm. & Utilities	2050	2100	2100	2050	2100	2150	2100	2150	2200	2150	2150	2150	2100
Trade	2850	2800	3000	3100	3300	3650	3750	3750	3650	3350	3300	3250	3300
Wholesale	350	350	400	450	500	600	600	550	550	450	450	400	500
Retail	2500	2450	2600	2650	2800	3050	3150	3200	3100	2900	2850	2850	2800
Finance-Ins. & R.E.	550	600	600	650	650	650	650	650	650	650	650	650	600
Services & Misc.	2600	2650	2700	2950	3100	3200	3300	3350	3200	3000	3000	2950	3000
Government	4950	5200	5250	5250	5350	5050	4750	4900	5450	5500	5600	5550	5200
Federal	500	500	500	500	550	600	550	550	550	500	500	500	500
State	1400	1500	1550	1550	1550	1550	1550	1550	1650	1650	1650	1550	1600
Local	3050	3200	3200	3200	3250	2900	2650	2800	3250	3350	3450	3500	3200

Nonagricultural Wage and Salary Employment
By Place of Work
SOUTHEAST ALASKA
1984

	Jan.	Feb.	March	April	May	June	July	Aug.	Sept.	Oct.	Nov.	Dec.	Avg.
Nonag. Wage & Salary	25750	26100	26850	28250	29350	30700	31150	32550	31650	29450	28550	27800	29000
Construction	1350	1350	1500	1750	2000	2050	2200	2450	2350	2150	1800	1450	1900
Manufacturing	2000	2000	2250	2950	3300	3700	3950	4650	4000	2650	2350	1950	3000
Food & Kindred Prod.	350	350	450	800	850	1100	1850	2450	1600	600	450	400	900
Lumber & Paper Prod.	1450	1450	1600	1900	2200	2350	1850	1950	2100	1800	1650	1300	1800
All Other Mfg.	200	200	200	250	250	250	250	250	300	250	250	250	200
Trans. Comm. & Utilities	1750	1800	1800	1850	1850	2100	2100	2150	2150	2000	1950	2000	2000
Trade	4050	4050	4150	4300	4700	5100	5150	5350	5100	4900	4850	4900	4700
Wholesale	350	350	350	350	400	400	400	450	400	400	400	400	400
Retail	3700	3700	3800	3950	4300	4700	4750	4900	4700	4500	4450	4500	4300
Finance-Ins. & R.E.	950	950	1000	1000	1050	1100	1150	1200	1150	1100	1100	1150	1100
Mining, Services & Misc.	4250	4300	4400	4450	4650	4900	4950	5000	5000	4700	4500	4500	4600
Government	11400	11650	11750	11950	11800	11750	11650	11750	11900	11950	12000	11850	11800
Federal	1900	1950	1950	2050	2100	2200	2200	2150	2100	2000	2000	1950	2000
State	5350	5400	5450	5650	5450	5600	5450	5450	5500	5450	5400	5250	5500
Local	4150	4300	4350	4250	4250	3950	4000	4150	4300	4500	4600	4650	4300

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT
BY PLACE OF WORK
ALASKA

	P/	R/	CHANGES FROM:		
	1/85	12/84	1/84	12/84	1/84
Nonag. Wage & Salary	215300	220100	203700	-4800	11600
Mining	9200	9000	8100	200	1100
Construction	14400	15700	16000	-1300	-1600
Manufacturing	6900	7600	6990	-700	0
Food & Kindred Prod.	2200	3000	2300	-800	-100
Lumber & Paper Prod.	1700	1700	1800	0	-100
All Other Mfg.	3000	2900	2800	100	200
Trans. Comm. & Utilities	18000	18500	17400	-500	600
Trucking & Whseing.	2200	2300	1900	-100	300
Water Transportation	1000	1200	1000	-200	0
Air Transportation	5800	5800	5600	0	200
Other Trans. Comm. & Utilities	9000	9200	8900	-200	100
Trade	44300	45900	40800	-1600	3500
Wholesale	8400	8500	8100	-100	300
Retail	35900	37400	32700	-1500	3200
Gen. Mer. & Apparel	5300	5800	4700	-500	600
Food Stores	5900	5900	5200	0	700
Eating & Drinking Pl.	12700	13300	11200	-600	1500
Other Retail Trade	12000	12400	11600	-400	400
Finance-Ins. & R.E.	12500	12600	11200	-100	1300
Services & Misc.	42900	43100	40100	-200	2800
Government	67100	67700	63200	-600	3900
Federal	18000	18100	17500	-100	500
State	19000	19400	18100	-400	900
Local	30100	30200	27600	-100	2500

Prepared in cooperation with the U.S. Bureau of Labor Statistics.

Government includes teachers in primary and secondary schools, and personnel employed by the University of Alaska.

Benchmark Date March 1984.

P/ Denotes premilinary estimates.

R/ Denotes revised estimates.

to Local Government, Alaska University, Institute of Social and Economic Research, September 1983.) State aid to assist local government in operating expenses come in the form of revenue sharing and municipal assistance. The state government also pays a substantial share of the costs of building schools in Alaska and much of the costs of operating them through the school foundation program.

Jobs are also created through capital appropriations. Besides education and capital grants to municipalities, the state funds other building construction; highway, airport, and other transportation projects; water and sewer, harbors, docks and flood control, and energy projects and equipment purchases. For every $1 million in state spending for capital projects the Institute of Social and Economic Research estimates that five to six direct jobs are created (Table 2).

The operating budget not only includes funds for state personnel, it includes monies for pass through grant to nonprofit organization and monies for contractors and consultants that provide services to Alaska residents. Many education, social and business services are funded by the state, but provided by the private sector. Loan programs also contribute to employment in Alaska and have been a boom to the construction industry the past several years.

While no estimate is made to determine the total direct employment created as a result of state expenditures it is clearly substantial. Also, state expenditures in the form of salary, contracts, and purchases create additional jobs. Estimates of these additional jobs depend on the type expenditure—from an estimated 1.5 additional jobs for each full time state worker to approximately .5 additional jobs for each construction worker on certain type state funded projects.

Total employment created by state expenditures is significant in Alaska. Directly and indirectly state expenditures are responsible for employment nearly equal to one-half the nonagricultural wage and salary employment (nonagricultural wage and salary employment does not include seafood harvesting employment and the self employed). Reductions in state spending will be felt in all industries and all communities throughout the state. On average, reductions in capital appropriations will have a smaller impact on total employment than would reductions in state government employment through cuts in the operating budget. While the short term impact of reduced state expenditures will mean a slower rate of employment growth, or actual declines in statewide total employment if the price of oil drops significantly, the long run benefits are an economy less dependent on price changes of a single resource.

Table 2
Economic Impact of $1 Million of State Spending:
Contract Construction and Operations

Project Type	Direct	Total 3/
Construction		
School	5.30	10.62
Office	5.74	10.70
Hospital	5.97	11.30
Sewers	4.64	8.94
Highway and Street	3.69	8.62
Land Reclamation	6.19	10.93
Operations		
Highway and Street Maintenance	6.71	12.45
Nonfarm Building Maintenance	7.73	12.83
General Government Operations	17.01	24.88

1/ At 1982 average wage rate levels.

2/ Wage and salary employment in Alaska is independent of the residence of the worker (does not include proprietors).

3/ Total = direct + indirect + induced.

Source: The Fiscal Impact of Capital Spending in Alaska, University of Alaska, Institute of Social and Economic Research, December 1984.

Average Annual 1/2/
Equivalent Employment Produced (Jobs)

ANCHORAGE/MATSU

By Greg Huff

1984 Benchmark

During the first quarter of every year we revise the previous year's industry employment estimates by the process referred to as "benchmark." Benchmark consist of replacing the first six months of employment estimates of the past year with actual counts of nonagricultural wage and salary employment and using that data as a base to re-estimate employment for the last six months of the year to reflect the more accurate actual counts. These actual counts are derived from unemployment insurance records in a program referred to as ES-202. The actual counts are normally delayed six to nine months.

As can be seen in Table 1, the lack of actual counts resulted in an under-estimation of employment in Anchorage. Because the original estimates are based on a sample of employers, they are subject to error. The first column of Table 1 lists the benchmark estimates and the second column lists the estimates as they originally appeared in *Alaska Economic Trends* and the third and fourth columns list the number and percentage difference from the original estimates and the benchmark estimates. For the Anchorage area the result of the 1984 benchmark was an increase in 1984 annual employment to a level of 112,100. This reflects a 7.1% growth over 1983 employment levels instead of the 5.0% indicated by the earlier estimates.

A combination of factors contributed to the under-estimation of employment growth by the original estimates. In general the strength and duration of the economic expansion was not picked up by the monthly employment samples. The employment estimating methodology is vulnerable to under-estimation during periods of rapid expansion because of the lag-time required to incorporate into the sample new firms in the market.

Construction employment, surprisingly, continued to grow despite a much slower residential construction season. Nineteen eighty-four was an exceptional commercial construction year. The oil and gas industry had a better year than previously thought. Despite the Mukluk disappointment and the falling price of oil, oil and gas companies made a strong come-back from the turn down year of 1983. In absolute terms the largest difference between the original estimates and benchmark estimates was in the services industries. The services sector employment experienced a broader based and stronger expansion than previously estimated. All sectors from the motel/hotel sector to an array of business services and health related firms made large gains in employment. The industry with the largest percentage differential between the original estimates and the benchmark estimates

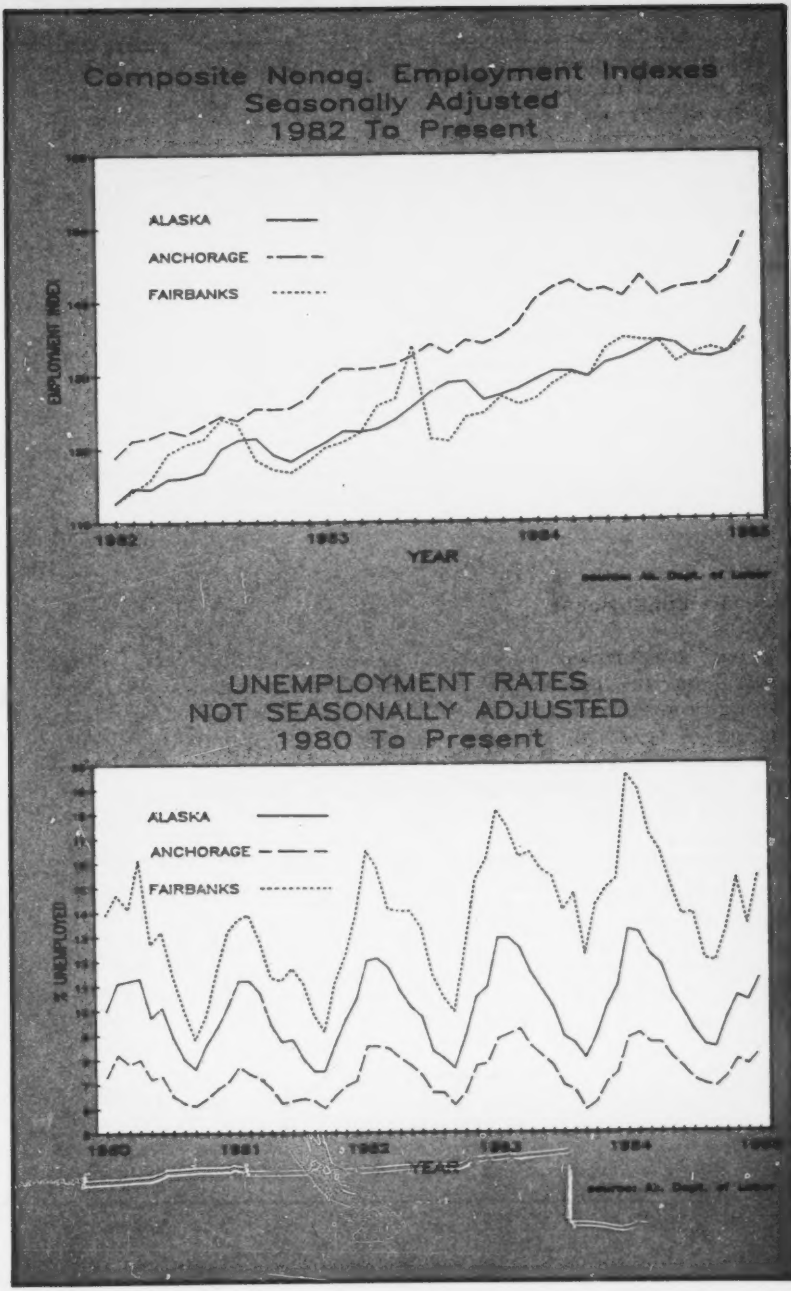
LABOR FORCE BY REGION AND CENSUS AREA

	Labor Force			Unemployment			Rate			Employment		
	P 1 85	R 12 84	1 84	P 1 85	R 12 84	1 84	P 1 85	R 12 84	1 84	P 1 85	R 12 84	1 84
Alaska Statewide	240284	238469	227746	26931	24581	28187	11.2	10.3	12.5	213353	213888	199259
Anchorage-Matsu Region	132158	129851	122440	12313	11231	11198	9.3	8.6	9.1	119845	118620	111242
Anchorage Borough	117676	115803	109306	9629	8861	9015	8.2	7.7	8.2	108047	106942	100291
Mat-Su Borough	14482	14048	13134	2684	2370	2183	18.5	16.9	16.6	11798	11678	10951
Gulf Coast Region	23760	24783	22979	3340	3395	4219	14.1	13.7	18.4	20420	21388	18760
Kenai Peninsula Borough	14746	15148	14241	2285	2096	2793	15.5	13.8	19.6	12461	13052	11448
Kodiak Island Borough	5360	5892	5120	536	840	689	10.0	14.3	13.5	4824	5052	4431
Valdez-Cordova	3654	3743	3618	519	459	737	14.2	12.3	20.4	3135	3281	2881
Interior Region	35447	34967	33900	5317	4517	5738	15.0	12.9	16.9	30130	30450	28162
Fairbanks North Star Borough	28803	28409	27404	4460	3808	4651	15.5	13.4	17.0	24343	24601	22753
Southeast Fairbanks	2852	2783	2687	381	305	396	13.5	11.0	14.7	2451	2478	2291
Yukon-Koyukuk	3812	3775	3809	476	404	691	12.5	10.7	18.1	3336	3371	3118
Northern Region	7725	7539	7953	683	541	1039	8.8	7.2	13.1	7042	6998	6911
Kobuk	2427	2364	2507	217	168	337	8.9	7.1	13.4	2210	2196	2170
Nome	3294	3191	3522	347	262	428	10.5	8.2	12.9	2947	2929	2891
North Slope Borough	2004	1984	2124	119	111	274	5.9	5.6	12.9	1885	1873	1850
Southeast Region	31401	30989	30782	4431	4022	5180	14.2	13.0	16.8	26670	26967	25602
Haines Borough	1065	1025	1011	225	176	208	21.1	17.2	20.5	840	849	806
Juneau Borough	11596	11626	11303	1274	1188	1393	11.0	10.2	12.3	10322	10438	9910
Ketchikan Gateway Borough	6683	6739	6627	1026	1019	1197	15.4	15.1	18.1	5657	5720	5430
Prince of Wales-Outer Ketchikan	2367	2289	2333	445	346	488	18.8	15.1	20.9	1922	1943	1845
Sitka Borough	3838	3879	3819	432	435	550	11.3	11.2	14.4	3406	3444	3269
Skagway-Yakutat-Angoon	2045	1950	1962	451	339	432	22.1	17.4	22.0	1594	1611	1530
Wrangell-Petersburg	3507	3481	3724	578	519	912	16.5	14.9	24.5	2929	2962	2812
Southwest Region	10093	10340	9692	847	875	1113	8.4	8.5	11.5	9246	9465	8579
Aleutian Islands	2395	2465	2297	78	93	147	3.3	3.8	6.4	2317	2372	2150
Bethel	3932	4045	3798	360	388	484	9.2	9.6	12.7	3572	3657	3314
Bristol Bay Borough	418	414	379	55	42	42	13.2	10.1	11.1	363	372	337
Dillingham	1725	1745	1607	192	176	185	11.1	10.1	11.5	1533	1569	1422
Wade Hampton	1623	1671	1611	162	176	255	10.0	10.5	15.8	1461	1495	1356

P = Preliminary 1983 Benchmark

R = Revised

Federal guidelines require the use of unrounded labor data, adjusted to be consistent with the Current Population Survey (CPS) in formulas used to allocate federal funds. Comparisons between different time periods are not as meaningful as other time series published by the Alaska Department of Labor; because Alaska's CPS sample size is inadequate to accurately indicate monthly changes in level. The sampling errors are random in nature; meaning that the unemployment rates, in any given month, are as likely to be high as frequently as they are low. The official definitions of unemployment, currently in place, exclude anyone who has made no attempt to find work in the four week period up to and including the week that includes the twelfth of each month. Most economists feel that Alaska's bush localities have proportionately more of these discouraged workers.


Composite Nonag. Employment Indexes
Seasonally Adjusted
1982 To Present
ALASKA
ANCHORAGE
FAIRBANKS
EMPLOYMENT INDEX
1982
1983
1984
YEAR
UNEMPLOYMENT RATES
NOT SEASONALLY ADJUSTED
1980 To Present
ALASKA
ANCHORAGE
FAIRBANKS
% UNEMPLOYED
1980
1981
1982
1983
1984
YEAR

was in the finance, insurance and real estate. The major surprise in the finance, insurance and real estate industry was the extent to which the real estate sector employment skyrocketed, nearly doubling employment over 1983 levels. Banks, savings and loans and credit unions reported record profits in 1984 and was echoed by record breaking employment gains.

Table 1
Comparison of 1984 Benchmark and Original Estimates of Anchorage Employment

	1984 Benchmark Est.	1984 Original Est.	# Diff.	% Diff.
Total Employment	112100	108900	-320	-2.9%
Mining	3900	3550	-350	-9.0
Construction	10000	9550	-450	-4.5
Manufacturing	2600	2600	—	—
Trans. Comm. & Utilities	9100	9100	—	—
Wholesale	6500	6250	-250	-3.8
Retail	20500	21100	+600	+3.0
Finance-Ins. & Real Estate	8600	7300	-1300	-15.0
Services	25200	23800	-1400	-6.0
Government	25500	25700	+200	+0.8

January Employment

January employment reflected a stronger economy than anticipated several months ago. Construction employment remains exceptionally strong despite small over-the-year declines. There were only two other industries registering a fall in employment levels from the previous year. Those were the food and kindred products and air transportation sectors. The food and kindred products employment has been below year-ago levels for over a year and air transportation employment is down due to the Wien layoffs. The usual seasonal patterns occurred in January. Trade employment took its usual decline after the holidays and the University of Alaska at Anchorage and Anchorage Community College employment took a temporary dip in employment for the holiday break.

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT
BY PLACE OF WORK
ANCHORAGE

	P/ 1/85	R/ 12/84	1/84	CHANGES FROM: 12/84	1/84
Nonag. Wage & Salary	111000	112150	104200	-1150	6800
Mining	4150	3950	3550	200	600
Construction	7650	8550	7950	-900	-300
Manufacturing	2200	2250	2100	-50	100
Food & Kindred Prod.	250	300	300	-50	-50
Other Mfg.	1950	1950	1800	0	150
Trans. Comm. & Utilities	8700	8650	8500	50	200
Trucking & Whseing.	1200	1200	1050	0	150
Water Transportation	350	350	300	0	50
Air Transportation	3300	3250	3450	50	-150
Other Trans. Comm. & Utilities	3850	3850	3700	0	150
Trade	27750	28550	25400	-800	2350
Wholesale	6600	6650	6200	-50	400
Retail	21150	21900	19200	-750	1950
Gen. Merchandise	1700	1900	1700	-200	0
Food Stores	3200	3200	2550	0	650
Eating & Drinking Pl.	8200	8350	7300	-150	900
Other Retail Trade	8050	8450	7650	-400	400
Finance-Ins. & R.E.	8650	8900	7850	-250	800
Services & Misc.	26150	25300	24100	850	2050
Government	25750	26000	24750	-250	1000
Federal	10050	10050	9950	0	100
State	6500	6850	6200	-350	300
Local	9200	9100	8600	100	600

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT
BY PLACE OF WORK
ANCHORAGE-MATSU

	P/ 1/85	R/ 12/84	1/84	CHANGES FROM: 12/84	1/84
Nonag. Wage & Salary	117750	118650	109600	-900	8150
Mining	4150	3950	3600	200	550
Construction	8350	9150	8600	-800	-250
Manufacturing	2300	2300	2150	0	150
Trans. Comm. & Utilities	9300	9350	9050	-50	250
Trade	29300	30250	26650	-950	2650
Finance-Ins. & R.E.	9250	9000	7950	250	1300
Services & Misc.	27450	26750	25000	700	2450
Government	27650	27900	26600	-250	1050

FAIRBANKS/INTERIOR

By Neal Fried

Delta's Employment Picture 1980-1984

The Alaska Department of Labor now has the capability to produce employment numbers for the Delta area labor market. This area includes Fort Greely-Delta Junction and Big Delta. These numbers should shed some light on the workings of the Delta areas economy, and in the future give us the ability to track the community's progress.

Delta's nonagricultural wage and salary employment grew by 21% over the past four years. This is slower than the State's experience (32%) but it still represents strong growth. It is not surprising Delta has lagged behind the statewide average, given the size of the area's economy. With a wage and salary work force of 817, the income produced in the community leaks rapidly out of the community. The secondary sector (retail trade, services, and finance insurance and real estate) is too small to capture a large share of this income. The work force is too small to support a large secondary and tertiary sector, which means the community's residents rely heavily on Fairbanks or elsewhere for many of their goods and services. Without a viable secondary sector, the wages and salaries earned from the area's basic industries (government, agriculture, and tourism) do not circulate in Delta's economy, creating little additional economic activity. This has resulted in a secondary sector in Delta which is relatively smaller than that of larger communities, causing overall employment growth rates to be lower than statewide growth rates.

In spite of this, Delta's wage and salary work force has grown by 5% per year. The mainstay of the area's economy continues to be government. Government in 1984 employed 71% of the wage and salary work force. The single largest employer in the area is Fort Greely. The federal government alone employs 50% of the wage and salary work force. Federal government employment has climbed 55% since 1980. State and local government has also grown, but not quite as rapidly.

Most of Delta's other industries have made employment gains, particularly trade. Trade employment grew from 53 in 1980 to 94 in 1984. Two industries which declined were services and transportation. This apparently resulted from some cutbacks of oil pipeline support staff. Delta also benefits from visitors and new residents traffic on the Alaska and Richardson highway. The volume of traffic has grown by almost 50% since 1980, providing a boost to retail trade and other services. One emerging industry in the Delta region largely not captured by our numbers is agriculture. Farmers are not counted in our figures but some of the support industries are. Acres planted and harvested in the region have steadily climbed providing additional economic stimulus to the region.

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT
BY PLACE OF WORK
FAIRBANKS

	P/ 1/85	R/ 12/84	1/84	CHANGES FROM: 12/84	1/84
Nonag. Wage & Salary	26150	26950	24600	-800	1550
Mining	200	200	100	0	100
Construction	1950	2250	1750	-300	200
Manufacturing	450	450	450	0	0
Trans. Comm. & Utilities	2600	2600	2700	0	-100
Trucking & Whseing.	450	400	400	50	50
Air Transportation	700	700	700	0	0
Other Trans. Comm. & Utilities	1450	1500	1600	-50	-150
Trade	5550	5750	5050	-200	500
Wholesale	1050	1050	950	0	100
Retail	4500	4700	4100	-200	400
Gen. Mer. & Apparel	550	600	500	-50	50
Food Stores	750	800	650	-50	100
Other Retail Trade	3200	3300	2950	-100	250
Finance-Ins. & R.E.	900	950	850	-50	50
Services & Misc.	5200	5400	4850	-200	350
Government	9300	9350	8850	-50	450
Federal	2700	2600	2600	100	100
State	3850	3950	3600	-100	250
Local	2750	2800	2650	-50	100

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT
BY PLACE OF WORK
INTERIOR

	P/ 1/85	R/ 12/84	1/84	CHANGES FROM: 12/84	1/84
Nonag. Wage & Salary	30150	31050	28250	-900	1900
Mining	300	300	150	0	150
Construction	2050	2350	1850	-300	200
Manufacturing	450	500	450	-50	0
Trans. Comm. & Utilities	3300	3300	3300	0	0
Trade	6000	6150	5500	-150	500
Finance-Ins. & R.E.	950	1050	9000	-100	50
Services & Misc.	5400	5600	5050	-200	350
Government	11700	11800	11050	-100	650

Though employment has grown, there has been no corresponding decline in unemployment. Unemployment during the past 2 years has remained in the 12% range. Seasonality, lack of full time employment, and in-migration of job seekers has kept the rate high. This situation plagues most of rural Alaska, and Delta is no exception.

Delta Employment
1980-1984

	First Six Months 1980	First Six Months 1984
Total Nonag. Wage & Salary	675	817
Mining	•	•
Construction	10	25
Manufacturing	7	10
Trans. Comm. & Utilities	37	24
Trade	55	94
Finance-Ins. & Real Estate	•	•
Services & Miscellaneous	157	71
Government	405	584
Federal	264	410
State	2	15
Local	140	159

• Nondisclosable.

GULF COAST

By Neal Fried

Employment in Homer 1980-1984

Employment growth in the State, the Kenai Peninsula and Homer has been impressive the past four years. Homer's employment growth has actually out paced both the Peninsula's and the State's. Homer's wage and salary employment (see table) has increased by 34% during the past four years, compared to 32% statewide. This probably comes as little surprise to the area's residents given the unprecedented expansion the community has been experiencing. Twelve hundred new residents have moved to Homer since 1980, which boosted the population to 3,432 residents. This represents a 55% increase in four years.

Record state expenditures and toursim are responsible for most of the growth. Increased state expenditures have provided construction funds and local government assistance as well as state subsidized loans and permanent fund dividends, all of which have had the affect of pushing employment and income upwards. State expenditures have allowed Homer to make major expansions to its port and harbor facilities, which in turn are expected to provide additional stimulus to two of the community's economic mainstays, the fishing and tourism industries.

State expenditures have helped triple Homer's construction employment in four years. With the port and harbor facilities expansion, new schools, roads, an addition to the hospital and a housing boom (with 168 permits issued), 1984 was a record year for residential construction in Homer. Homer was also the temporary beneficiary of a boundary error, which classified the city as a rural community, allowing residents to qualify for subsidized loans with lower interest rates. However, even without this error, Homer would have had a strong building season.

Homer's vibrant tourist industry has been another big contributor to the area's expanding economy. Homer has not only benefited from the increase in out-of-state tourists but has made gains from an increasing number of tourists from Southcentral Alaska. The single biggest reason why out-of-state tourists come to the Peninsula (30%) is to visit friends and relatives. This means Homer's growing resident population indirectly creates a bigger demand for its tourist facilities. Homer's secondary industries have responded to this growth in income, tourism and population. Trade, services and finance, insurance and real estate employment have grown by 30%, 42%, and 90%, respectively.

Government employment has also increased, largely in response to the community's growing population. Most of the increases have come in local government because of increased demands for services and the growth

in the school age population. The only industry that experienced declines during this period has been manufacturing, or more specifically, fish processing. This is largely a result of the disappointing king crab and shrimp harvests. In the long run, however, the port and harbor expansions should stimulate further growth in the fishing industry.

In spite of the city's record rate of employment growth, the unemployment picture is not as good. Homer is dependent to a large degree on seasonal industries. Homer is particularly vulnerable since two of its largest industries, tourism and fishing are seasonal. This means many of its residents work only part of the year. Homer has also experienced a large increase in population, which has quickly absorbed new employment opportunities. These two factors have kept the unemployment rates high on the Peninsula. Though there are no specific unemployment rates for Homer, the rate for the Kenai Peninsula in 1984 was 15.4%. This high rate indicates a fiercely competitive labor market.

Homer Employment
1980-1984

	First Six Months 1980	First Six Months 1984
Total Nonag. Wage & Salary	1143	1528
Mining	*	*
Construction	64	157
Manufacturing	*	*
Trans. Comm. & Utilities	176	188
Trade	197	257
Finance-Ins. & Real Estate	39	74
Services & Miscellaneous	172	245
Government	241	335
Federal	28	35
State	3	19
Local	210	281

* Nondisclosable.

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT
BY PLACE OF WORK
GULF COAST

			CHANGES FROM:		
	P/ 1/85	R/ 12/84	1/84	12/84	1/84
Nonag. Wage & Salary	17900	19150	16450	-1250	1450
Mining	750	800	650	-50	100
Construction	1300	1550	1200	-250	100
Manufacturing	1850	2250	1600	-400	250
Food & Kindred Prod.	1200	1650	1000	-450	200
All Other Mfg.	650	600	600	50	50
Trans. & Comm. Utilities	2100	2150	2050	-50	50
Trade	3100	3250	2850	-150	250
Wholesale	400	400	350	0	50
Retail	2700	2850	2500	-150	200
Finance-Ins. & R.E.	600	650	550	-50	50
Services & Misc.	2900	2950	2600	-50	300
Government	5300	5550	4950	-250	350
Federal	500	500	500	0	0
State	1450	1550	1400	-100	50
Local	3350	3500	3050	-150	300

SOUTHEAST ALASKA

By John Boucher

Juneau 1982 to 1984: Aftermath of the 1982 Vote

Prior to the resolution of the 1982 capital move vote, there was much debate about what the outcome of the vote would have upon Alaska's capital city. In general terms, there was no doubt that no matter what the results, the vote would have a long lasting effect on the economy of Juneau. With the result of the election now history and Juneau preserved as the capital an examination of what employment has done since the move will give an insight as to what the capital move vote has meant to the Juneau economy in the short run.

It was widely assumed that the spectre of the capital move represented a threatening cloud on Juneau's economic horizon from the period of 1972 to 1982. However, the threat of the capital move did not entirely dampen Juneau's economic spirit. Growth in just about every sector of the economy was healthy although it might have been considered restrained. (For more on Juneau during this period please refer to the January 1984 issue of *Alaska Economic Trends.*)

Once the capital move issue was resolved, it was also widely assumed that the positive effect on the Juneau economy would be dramatic. There are outward indications that the Juneau economy has expanded rapidly during the postvote period. For example, the amount of retail floor space available in Juneau since 1982 has nearly doubled, and that in 1983 alone the amount of non-state-owned office space available in downtown Juneau grew by 50%. Franchise operations such as McDonalds and chains such as Fred Meyer have also opened stores since 1982. However, if just employment is examined, it is somewhat surprising to find that on an annual average percentage growth basis, the period from 1972 to 1982 outperformed the period from 1982 to 1984.

Closer examination of the numbers reveals why employment has grown at a slower pace after the vote than before 1982. Government employment, the industry which accounts for more than 50% of employment in Juneau, has slowed its growth considerably during the past two years. In fact state government, the city's largest industry, actually lost employment during the period since the capital move vote (see table).

Services employment, the third largest industry in the capital city, also grew at a slower pace from 1982 to 1984 than it had been during the previous 10 years. The industries that showed the strongest growth during this latest period were trade, both the wholesale and retail sectors, and construction. So while it is clear that the vote was a boon to residential and commercial construction and meant an expansion in retail trade businesses, the impact it had upon other industries is clouded.

Juneau Employment
1982-1984

	First* Six Mos. 1982	First* Six Mos. 1984	Annual Avg. % Change	Annual Avg. % Change 1972-1982
Total Nonag. Wage & Salary	12015	13059	4.2%	4.7%
Mining	6	30	123.6%	4.1%
Construction	408	692	30.2%	-1.6%
Manufacturing	118	179	23.1%	11.3%
Trans., Comm. & Utilities	945	773	-9.6%	4.5%
Trade	1791	2098	8.2%	6.3%
Wholesale	159	184	7.6%	4.5%
Retail	1632	1914	8.3%	6.5%
Agricultural and Nonclassifiable Establishments	46	138	73.2%	1.6%
Finance-Ins. & R.E.	514	544	2.9%	9.8%
Services	1698	1950	7.2%	9.4%
Government	6489	6655	1.3%	3.8%
Federal	952	1007	2.9%	.6%
State	4410	4358	1.0% **	4.5% **
Local	1127	1290		

* Represents an average of the first six months of the year.
** State and local government data not available separately prior to 1975. The percentage increases are for combined state and local government employment.

NONAGRICULTURAL WAGE AND SALARY EMPLOYMENT
BY PLACE OF WORK
SOUTHEAST ALASKA

	P/	R/	CHANGES FROM:	
	1/85	12/84	1/84	12/84	1/84
Nonag. Wage & Salary	26850	27800	25750	-950	1100
Construction	1150	1450	1350	-300	-200
Manufacturing	1850	1950	2000	-100	-150
Food & Kindred Prod.	350	400	350	-50	0
Lumber & Paper Prod.	1250	1300	1450	-50	-200
All Other Mfg.	250	250	200	0	50
Trans. Comm. & Utilities	1750	2000	1750	-250	0
Trade	4650	4900	4050	-250	600
Wholesale	350	400	350	-50	0
Retail	4300	4500	3700	-200	600
Finance-Ins. & R.E.	1150	1150	950	0	200
Mining, Services & Misc.	4450	4500	4250	-50	200
Government	11850	11850	11400	0	450
Federal	1900	1950	1900	-50	0
State	5500	5250	5350	250	150
Local	4450	4650	4150	-200	300

The slowdown of revenue to the state treasury from oil industry taxation is the largest reason for state and local government employment slowing from 1982 to 1984. Services related employment has also been effected by the slowdown because business services, such as consultants who contract a large part of their work from the state government, have been curtailed. In retrospect, the expansion in Juneau following the resolution of the capital move vote might not have been as broad based as some expected because of the Juneau economy's close tie to the dominant force in Alaska's economy today, state expenditures.

HOURS AND EARNINGS

By Kathleen Thomas

Revised 1984 Estimates

The pattern of hours and earnings will be changing this month. In previous *Alaska Economic Trends* articles, hours and earnings lagged a month behind nonagricultural wage and salary employment presented in the same publication. With this issue, and in future issues, hours and earnings will correspond with the month of the employment data. Another event affecting hours and earnings this month is the benchmarking process whereby average hourly earnings and average weekly hours are updated with benchmarked employment numbers. Additional monthly data are available and the annual averages for each industry are recalculated. Presented in the attached table are the annual averages of major industries for the years 1972 through 1984.

The most striking change in the 1984 annual average hours and earnings is the decrease in average hourly earnings in five of the nine industries, the most to decline in one year since this series of data originated in 1972. Even the post-pipeline declines of 1978 resulted in only four of the nine industries having drops in average hourly earnings. For six of the previous twelve years no declines occurred in average hourly earnings, i.e., every industry increased.

Average hourly earnings in mining have leveled off during 1984 after dramatic increases during the oil boom years. With oil and gas production leveling off, employment growth in mining has moderated. Also, the high salaries used to lure potential employees during the boom years are no longer needed as an increased resident population makes the employment situation more competitive.

Average hourly earnings in construction from 1983 to 1984 had the smallest increase since 1978. Activity in the construction industry declined in 1984 from the 1982/83 boom years and employment is down from their recent high levels. Higher wages are no longer required to recruit construction workers from the lower 48.

Average hourly earnings for all of manufacturing declined. The drops were indicative of the problems in the manufacturing industry. Employment in food and kindred products has been dropping in numbers due to lower volumes of seafood and a switch from canning of seafood to fresh and frozen product which requires less employment for volume of fish processed. The lumber and paper products sector of manufacturing has also been experiencing declines in employment as a weak export market and unfavorable exchange rates have adversely affected the industry. Manufacturing is also affected by declining construction activity as fewer goods are required by the construction industry.

Major increases in average hourly earnings occurred in wholesale and retail trade during 1984. Alaska's increasing population increases the need for more wholesale and retail goods. Rather than continue to order goods from outside the state, more and more people are making local purchases. Accompanying the growing industry are increasing wage rates.

Average hourly earnings in the state of Alaska have increased in previous years to meet the needs of a growing state. As those needs were met the growth of average hourly earnings has moderated. This is evidenced by lower 1984 average hourly earnings.